

## **2005 DRAFTING REQUEST**

### **Bill**

Received: **11/15/2004**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **John Ainsworth (608) 266-3097**

By/Representing: **casey**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - sales**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Ainsworth@legis.state.wi.us**

Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us**

---

### **Pre Topic:**

No specific pre topic given

---

### **Topic:**

Sales and use tax exemption on tangible personal property used in the business of farming

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### **Instructions:**

See Attached

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### **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 11/16/2004	wjackson 11/16/2004		_____			S&L Tax
/1	jkreye 01/12/2005	wjackson 01/12/2005	chaugen 11/17/2004	_____	lemery 11/17/2004		S&L Tax
/2			rschluet 01/12/2005	_____	lnorthro 01/12/2005	lnorthro 03/17/2005	

FE Sent For: **01/13/2005.**

**<END>**

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/2			rschluet 01/12/2005	_____	lnorthro 01/12/2005		

FE Sent For:

<END>

→ 01-13-2005  
(12)  
see  
attached

**2005 DRAFTING REQUEST****Bill**Received: **11/15/2004**Received By: **jkreye**Wanted: **As time permits**

Identical to LRB:

For: **Debra Towns (608) 266-9650**By/Representing: **casey**This file may be shown to any legislator: **NO**Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - sales**

Extra Copies:

Submit via email: **YES**Requester's email: **Rep.Towns@legis.state.wi.us**Carbon copy (CC:) to: **joseph.kreye@legis.state.wi.us****Pre Topic:**

No specific pre topic given

**Topic:**

Sales and use tax exemption on tangible personal property used in the business of farming

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 11/16/2004	wjackson 11/16/2004					S&L Tax
/1		1/2 Wlj 1/12	chaugen 11/17/2004		lemery 11/17/2004		

***LRB-0820***

11/17/2004 09:02:44 AM

Page 2

FE Sent For:

**<END>**

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**Bill**

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Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Debra Towns (608) 266-9650**

By/Representing: **casey**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - sales**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Towns@legis.state.wi.us**

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/?	jkreye	1 WLJ 11/16	Ch 11/17	Ch 11/17			

FE Sent For:

<END>

**Kreye, Joseph**

---

**From:** Langan, Casey  
**Sent:** Monday, November 15, 2004 2:17 PM  
**To:** Kreye, Joseph  
**Subject:** Sales tax exemption on farm inputs

Joe Kreye,

Rep. Debi Towns is interested in having you re-draft LRB 1233/1 (from the 2003 session) for the upcoming session.

Andrew Potts from Rep. Seratti's office said you were the point man on this.

Thank you,

**Casey Langan**

Legislative Assistant

Office of **Rep. Debi Towns**

(608) 266-9651

PO Box 8953, State Capitol, Madison WI 53708



## 2003 BILL

in 11-16-04

LPS: ✓  
Please proof  
amended  
Stats. w/ Folio

Regen

- 1 AN ACT ~~to repeal~~ 77.54 (30) (a) 3. and 5. and 77.54 (34); and **to amend** 77.54 (3)  
2 (a) of the statutes; **relating to:** a sales tax and use tax exemption on tangible  
3 personal property used in the business of farming.

---

***Analysis by the Legislative Reference Bureau***

Under current law, tractors and other machines that are used exclusively and directly for farming, including horticulture and floriculture, are exempt from the sales tax and the use tax.

Under this bill, tractors and other machines, lubricants, nonpowered equipment, and other tangible personal property that is used exclusively and directly for farming or husbandry activities, including aquaculture, horticulture, and floriculture, are exempt from the sales tax and the use tax.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 4 SECTION 1. 77.54 (3) (a) of the statutes is amended to read:

# BILL

77.54 (3) (a) The gross receipts from the sales of and the storage, use, or other consumption of tractors and machines, including accessories, attachments, and parts thereof, lubricants, nonpowered equipment, and other tangible personal property used exclusively and directly in the business of farming or husbandry activities, including dairy farming, agriculture, aquaculture, horticulture, floriculture, and custom farming services, but excluding automobiles, trucks, and other motor vehicles for highway use; excluding personal property that is attached to, fastened to, connected to, or built into real property or that becomes an addition to, component of, or capital improvement of real property; and excluding tangible personal property used or consumed in the erection of buildings or in the alteration, repair, or improvement of real property, regardless of any contribution that that personal property makes to the production process in that building or real property and regardless of the extent to which that personal property functions as a machine, except as provided in par. (c).

**SECTION 2.** 77.54 (30) (a) 3. and 5. of the statutes are repealed.

**SECTION 3.** 77.54 (34) of the statutes is repealed.

**SECTION 4. Effective date.**

(1) This act takes effect on the first day of the 2nd month beginning after publication.

(END)

**Kreye, Joseph**

---

**From:** Rep.Ainsworth  
**Sent:** Wednesday, January 12, 2005 9:55 AM  
**To:** Kreye, Joseph  
**Subject:** LRB 0820/1 - sales & use tax exemption on materials used in farming

Casey from Rep. Towns' office telephoned me yesterday afternoon to let me know he spoke with you regarding Rep. Towns turning over LRB 0820/1 to Rep. Ainsworth for introduction. Prior to doing so, John had one minor change that he would like to make to the draft:

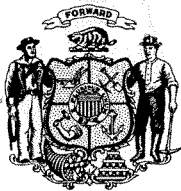
On Page 2, Line 5, after the word "activities," and before the word "including" insert: "and any product that is consumed by or loses its identity in the process of".

John's intent is to use language identical to the language used for manufacturing exclusions.

If you have any questions, please feel free to telephone our office at: 6-3097.

Thank you very much,

Carol Redell  
Rep. John Ainsworth's Office



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-0820/1

JK:wlj:ch

2005 BILL

*in 1-12-05*  
*soon*  
*D-N*  
*in the business of*  
*not consumed or lose their identities*  
*consumed*  
*in the business of*  
*Regen*

1 AN ACT *Regen* to repeal 77.54 (30) (a) 3. and 5. and 77.54 (34); and to amend 77.54 (3)  
2 (a) of the statutes; relating to: a sales tax and use tax exemption on tangible  
3 personal property used in the business of farming.

**Analysis by the Legislative Reference Bureau**

Under current law, tractors and other machines that are used exclusively and directly for farming, including horticulture and floriculture, are exempt from the sales tax and the use tax.

Under this bill, tractors and other machines, lubricants, nonpowered equipment, and other tangible personal property *that are* used exclusively and directly for farming or husbandry activities, including aquaculture, horticulture, and floriculture, are exempt from the sales tax and the use tax.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

**The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:**

4 SECTION 1. 77.54 (3) (a) of the statutes is amended to read:

**BILL****SECTION 1**

*that are*  
1 77.54 (3) (a) The gross receipts from the sales of and the storage, use, or other  
2 consumption of tractors and machines, including accessories, attachments, and  
3 parts ~~therefor~~, lubricants, nonpowered equipment, and other tangible personal  
4 property used exclusively and directly in the business of farming or husbandry  
5 activities, including dairy farming, agriculture, aquaculture, horticulture,  
6 floriculture, and custom farming services, but excluding automobiles, trucks, and  
7 other motor vehicles for highway use; excluding personal property that is attached  
8 to, fastened to, connected to, or built into real property or that becomes an addition  
9 to, component of, or capital improvement of real property; and excluding tangible  
10 personal property used or consumed in the erection of buildings or in the alteration,  
11 repair, or improvement of real property, regardless of any contribution that that  
12 personal property makes to the production process in that building or real property  
13 and regardless of the extent to which that personal property functions as a machine,  
14 except as provided in par. (c).

15 **SECTION 2.** 77.54 (30) (a) 3. and 5. of the statutes are repealed.

16 **SECTION 3.** 77.54 (34) of the statutes is repealed.

17 **SECTION 4. Effective date.**

18 (1) This act takes effect on the first day of the 2nd month beginning after  
19 publication.

20 (END)

*identities*  
*^ or are consumed or lose their identity ^*

0820/2 dy  
VK:Wlj:

Representative Ainsworth ^

¶ Please review this draft carefully to ensure that it  
is consistent with your intent.

VK

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0820/2dn

JK:wlj:rs

January 12, 2005

Representative Ainsworth:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye  
Legislative Attorney  
Phone: (608) 266-2263  
E-mail: [joseph.kreye@legis.state.wi.us](mailto:joseph.kreye@legis.state.wi.us)

## Barman, Mike

---

**From:** Kreye, Joseph  
**Sent:** Thursday, January 13, 2005 7:16 AM  
**To:** Barman, Mike  
**Subject:** FW: LRB 0820/2dn - Ainsworth - sales tax exemption for materials used in farming

Hi Mike,

Please put in a fiscal estimate request for LRB-0820. Thanks.

-----Original Message-----

**From:** Redell, Carol  
**Sent:** Wednesday, January 12, 2005 4:28 PM  
**To:** Kreye, Joseph  
**Subject:** LRB 0820/2dn - Ainsworth - sales tax exemption for materials used in farming

Thank you for preparing LRB 0820/2dn so promptly.

John would like a fiscal estimate prepared for LRB 0820/2dn prior to circulating. Would that be possible?

Thank you,

Carol Redell/Rep. Ainsworth's Office



**Northrop, Lori**

---

**From:** Redell, Carol  
**Sent:** Thursday, March 17, 2005 10:12 AM  
**To:** LRB.Legal  
**Subject:** Draft review: LRB 05-0820/2 Topic: Sales and use tax exemption on tangible personal property used in the business of farming

It has been requested by <Redell, Carol> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 05-0820/2 Topic: Sales and use tax exemption on tangible personal property used in the business of farming

# Memo

To: Senator ☐ Representative ☒

Ainsworth

(The Draft's Requester)

Per your request: ... the attached fiscal estimate was prepared for your unIntroduced 2005 draft.

LRB Number: LRB - 0820

Version: " / 2 "

Fiscal Estimate Prepared By: (agency abbr.) DoR

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

Entered In Computer And Copy Sent To Requester Via E-Mail: 01 / 28 / 2005

\* \* \* \* \*

To: LRB - Legal Section PA's

Subject: *Fiscal Estimate Received For An Unintroduced Draft*

> **If redrafted** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version.

> **If introduced** ... and the version of the attached fiscal estimate is for a **previous version** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version. Have Mike (or Lynn) get the ball rolling on getting a fiscal estimate prepared for the introduced version.

> **If introduced** ... and the version of the attached fiscal estimate is for the **current version** ... please write the draft's introduction number below and give to Mike (or Lynn) to process.

THIS DRAFT WAS INTRODUCED AS: 2005 \_\_\_\_\_

## Barman, Mike

---

**From:** Barman, Mike  
**Sent:** Friday, January 28, 2005 9:05 AM  
**To:** Rep.Ainsworth  
**Cc:** Redell, Carol  
**Subject:** LRB 05-0820/2 (FE by DOR - attached - for your review)



FE\_Ainsworth.PDF

## Emery, Lynn

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**From:** Emery, Lynn  
**Sent:** Thursday, March 17, 2005 11:35 AM  
**To:** Rep.Ainsworth  
**Subject:** LRB 05-0820/2 (FE by DOR - attached - per request to DOR)



05-0820feDOR.PDF

Lynn Emery  
Program Assistant  
Legislative Reference Bureau  
608-266-3561  
lynn.emery@legis.state.wi.us